

# SENATE MOTION

**MADAM PRESIDENT:**

**I move** that Engrossed House Bill 1001 be amended to read as follows:

- 1 Page 5, delete lines 7 through 42, begin a new paragraph and insert:
- 2 "SECTION 4. IC 6-1.1-4-33, AS ADDED BY P.L.235-2003,
- 3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 33. (a) This section applies if the department
- 5 of local government finance entered into a contract under section 32(e)
- 6 of this chapter before January 1, 2003.
- 7 (b) Subject to other requirements of this section, the department of
- 8 local government finance may negotiate an addendum to the contract
- 9 referred to in subsection (a) to require the contractor to:
- 10 (1) afford to each taxpayer in the county an opportunity to attend
- 11 an informal hearing to:
- 12 (A) discuss the specifics of the taxpayer's reassessment;
- 13 (B) review the taxpayer's property record card;
- 14 (C) explain to the taxpayer how the reassessment was
- 15 determined;
- 16 (D) provide to the taxpayer information about the statutes,
- 17 rules, and guidelines that govern the determination of the
- 18 reassessment;
- 19 (E) note and consider objections of the taxpayer;
- 20 (F) consider all errors alleged by the taxpayer; and
- 21 (G) otherwise educate the taxpayer about:
- 22 (i) the taxpayer's reassessment;
- 23 (ii) the reassessment process; and
- 24 (iii) the reassessment appeal process under section 34 of this
- 25 chapter; and
- 26 (2) represent the department of local government finance in
- 27 appeals initiated under section 34 of this chapter.
- 28 (c) Following an informal hearing referred to in subsection (b), the
- 29 contractor shall:
- 30 (1) make a recommendation to the department of local

government finance as to whether a change in the reassessment is warranted; and

(2) if recommending a change under subdivision (1), provide to the department a statement of:

(A) how the changed reassessment was determined; and

(B) the amount of the changed reassessment.

(d) To preserve the right to appeal under section 34 of this chapter, a taxpayer must initiate the informal hearing process by notifying the department of local government finance or its designee of the taxpayer's intent to participate in an informal hearing referred to in subsection (b) not later than forty-five (45) days after the **later of:**

**(1) the date the department of local government finance gives notice under section 32(f) of this chapter to taxpayers of the amount of the reassessment; or**

**(2) the date the taxpayer receives a statement for the property taxes that are based on the actual assessed value of the property as of the assessment date for 2002.**

(e) The informal hearings referred to in subsection (b) must be conducted:

(1) in the county where the property is located; and

(2) in a manner determined by the department of local government finance.

(f) The department of local government finance shall:

(1) consider the recommendation of the contractor under subsection (c); and

(2) if the department accepts a recommendation that a change in the reassessment is warranted, accept or modify the recommended amount of the changed reassessment.

(g) The department of local government finance shall send a notice of the result of each informal hearing to:

(1) the taxpayer;

(2) the county auditor;

(3) the county assessor; and

(4) the township assessor of the township in which the property is located.

(h) A notice under subsection (g) must:

(1) state whether the reassessment was changed as a result of the informal hearing; and

(2) if the reassessment was changed as a result of the informal hearing:

(A) indicate the amount of the changed reassessment; and

(B) provide information on the taxpayer's right to appeal under section 34 of this chapter.

(i) If the department of local government finance does not send a notice under subsection (g) not later than two hundred seventy (270) days after the date the department gives notice of the amount of the

1 reassessment under section 32(f) of this chapter:

2 (1) the department may not change the amount of the  
3 reassessment under the informal hearing process described in this  
4 section; and

5 (2) the taxpayer may appeal the reassessment under section 34 of  
6 this chapter.

7 (j) The department of local government finance may adopt  
8 emergency rules to establish procedures for informal hearings under  
9 this section.

10 (k) Payment for an addendum to a contract under subsection (a):

11 (1) is made in the same manner as payment for the contract under  
12 section 32(e) of this chapter; and

13 (2) is not subject to the maximum compensation under section  
14 32(h) of this chapter.

15 (l) This section expires December 31, 2005.

16 SECTION 5. IC 6-1.1-4-34, AS ADDED BY P.L.235-2003,  
17 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 UPON PASSAGE]:Sec. 34. (a) As used in this section, "specialmaster"  
19 refers to a person designated by the Indiana board under subsection (e).

20 (b) The notice of reassessment under section 32(f) of this chapter  
21 is subject to appeal by the taxpayer to the Indiana board. The  
22 procedures and time limitations that apply to an appeal to the Indiana  
23 board of a determination of the department of local government finance  
24 do not apply to an appeal under this subsection. The Indiana board may  
25 establish applicable procedures and time limitations under subsection (l).

26 (c) In order to appeal under subsection (b), the taxpayer must:

27 (1) request and participate as required in the informal hearing  
28 process under section 33 of this chapter not later than forty-five  
29 (45) days after **the later of:**

30 **(A) the date of the notice of reassessment under section 32(f)**  
31 **of this chapter; or**

32 **(B) the date the taxpayer receives a statement for the**  
33 **property taxes that are based on the actual assessed value**  
34 **of the property as of the assessment date for 2002;**

35 (2) except as provided in section 33(i) of this chapter, receive a  
36 notice of changed reassessment under section 33(g) of this  
37 chapter; and

38 (3) file a petition for review with the appropriate county assessor  
39 not later than thirty (30) days after the notice of the department of  
40 local government finance is given to the taxpayer under section  
41 ~~32(f)~~ **33(g)** of this chapter.

42 (d) The Indiana board may develop a form for petitions under  
43 subsection (c) that:

44 (1) outlines:

45 (A) the appeal process;

46 (B) the burden of proof; and

- 1 (C) evidence necessary to warrant a change to a reassessment;
- 2 and
- 3 (2) describes:
  - 4 (A) the increase in the property tax replacement credit; and
  - 5 (B) other changes to the property tax system;
  - 6 under P.L.192-2002(ss) that reduced the effect of general
  - 7 reassessment on property tax liability.
- 8 (e) The Indiana board may contract with, appoint, or otherwise
- 9 designate the following to serve as special masters to conduct
- 10 evidentiary hearings and prepare reports required under subsection (g):
  - 11 (1) Independent, licensed appraisers.
  - 12 (2) Attorneys.
  - 13 (3) Certified level two Indiana assessor-appraisers (including
  - 14 administrative law judges employed by the Indiana board).
  - 15 (4) Other qualified individuals.
- 16 (f) Each contract entered into under subsection (e) must specify the
- 17 appointee's compensation and entitlement to reimbursement for
- 18 expenses. The compensation and reimbursement for expenses are paid
- 19 from the county property reassessment fund. Payments under this
- 20 subsection from the county property reassessment fund may not
- 21 exceed five hundred thousand dollars (\$500,000).
- 22 (g) With respect to each petition for review filed under subsection
- 23 (c), the special masters shall:
  - 24 (1) set a hearing date;
  - 25 (2) give notice of the hearing at least thirty (30) days before the
  - 26 hearing date, by mail, to:
    - 27 (A) the taxpayer;
    - 28 (B) the department of local government finance;
    - 29 (C) the township assessor; and
    - 30 (D) the county assessor;
  - 31 (3) conduct a hearing and hear all evidence submitted under this
  - 32 section; and
  - 33 (4) make evidentiary findings and file a report with the Indiana
  - 34 board.
- 35 (h) At the hearing under subsection (g):
  - 36 (1) the taxpayer shall present:
    - 37 (A) its evidence that the reassessment is incorrect;
    - 38 (B) the method by which the taxpayer contends the
    - 39 reassessment is correctly determined; and
    - 40 (C) comparable sales, appraisals, or other pertinent information
    - 41 concerning valuation as required by the Indiana board; and
  - 42 (2) the department of local government finance shall present its
  - 43 evidence that the reassessment is correct.
- 44 (i) The Indiana board may dismiss a petition for review filed under
- 45 subsection (c) if the evidence and other information required under
- 46 subsection (h)(1) is not provided at the hearing under subsection (g).
- 47 (j) The township assessor and the county assessor may attend and

- 1 participate in the hearing under subsection (g).  
 2 (k) The Indiana board may:  
 3 (1) consider the report of the special masters under subsection  
 4 (g)(4);  
 5 (2) make a final determination based on the findings of the special  
 6 masters without:  
 7 (A) conducting a hearing; or  
 8 (B) any further proceedings; and  
 9 (3) incorporate the findings of the special masters into the board's  
 10 findings in resolution of the appeal.  
 11 (l) The Indiana board may adopt emergency rules under  
 12 IC 4-22-2-37.1 to:  
 13 (1) establish procedures to expedite:  
 14 (A) the conduct of hearings under subsection (g); and  
 15 (B) the issuance of determinations of appeals under subsection  
 16 (b); and  
 17 (2) establish deadlines:  
 18 (A) for conducting hearings under subsection (g); and  
 19 (B) for issuing determinations of appeals under subsection (b).  
 20 (m) A determination by the Indiana board of an appeal under  
 21 subsection (b) is subject to appeal to the tax court under IC 6-1.1-15.  
 22 (n) This section expires December 31, 2005."  
 23 Delete page 6.  
 24 Page 7, delete lines 1 through 21.  
 25 Page 13, line 34, after "(45)" insert "**days after the later of:**  
 26 **(1) the date the department of local government finance**  
 27 **gives notice under section 35(j) of this chapter to taxpayers**  
 28 **of the amount of the reassessment; or**  
 29 **(2) the date the taxpayer receives a statement for the**  
 30 **property taxes that are based on the actual assessed value of**  
 31 **the property as of the assessment date for 2002.**".  
 32 Page 13, delete lines 35 through 37.  
 33 Page 15, delete lines 9 through 10, begin a new line block indented  
 34 and insert:  
 35 **"(1) request and participate as required in the informal**  
 36 **hearing process under section 36 of this chapter not later**  
 37 **than forty-five (45) days after the later of:**  
 38 **(A) the date of the notice of reassessment under section**  
 39 **35(j) of this chapter; or**  
 40 **(B) the date the taxpayer receives a statement for the**  
 41 **property taxes that are based on the actual assessed value**  
 42 **of the property as of the assessment date for 2002.**".  
 43 Page 124, between lines 20 and 21, begin a new paragraph and  
 44 insert:  
 45 **"SECTION 91. [EFFECTIVE UPON PASSAGE] (a) The**

1 definitions in IC 6-1.1-1 apply throughout this SECTION.

2 (b) Notwithstanding IC 6-1.1-15-1, as amended by this act, for  
3 the assessment date in 2002 a taxpayer other than a taxpayer for  
4 which the assessment is determined under IC 6-1.1-4-32 or  
5 IC 6-1.1-4-35 may obtain a review under IC 6-1.1-15-1, as  
6 amended by this act, by the county property tax assessment board  
7 of appeals of the township assessor's assessment of the taxpayer's  
8 property.

9 (c) Except as provided in subsection (d), to obtain the review  
10 under subsection (b), the taxpayer must, in the manner provided  
11 by IC 6-1.1-15-1, as amended by this act, file a written request for  
12 a preliminary conference with the township assessor of the  
13 township in which the property is located not later than the later  
14 of:

15 (1) forty-five (45) days after notice of the assessment is given  
16 to the taxpayer; or

17 (2) forty-five (45) days after the taxpayer receives a tax  
18 statement for the property taxes that are based on the actual  
19 assessment of the property for the assessment date in 2002.

20 (d) If the township assessor does not give notice of the  
21 assessment to a taxpayer, to obtain the review under subsection  
22 (b), the taxpayer must, in the manner provided by IC 6-1.1-15-1,  
23 as amended by this act, file a written request for a preliminary  
24 conference with the township assessor of the township in which  
25 the property is located not later than the date set forth in  
26 subsection (c)(2).

27 (e) An assessment determination by the county property tax  
28 assessment board of appeals that results from a review under  
29 subsection (b) is subject to appeal to the Indiana board of tax  
30 review under IC 6-1.1-15.

31 (f) An assessment change that results from a review under  
32 subsection (b) applies for property taxes first due and payable in:

33 (1) 2003; and

34 (2) each subsequent year in which property taxes are not  
35 based on a new assessment determined under IC 6-1.1, as  
36 amended by this act.

37 (g) This SECTION expires January 1, 2006."

38 Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as printed December 2, 2003.)

